D.B.CIVIL WRIT PETITION NO.3258/2006
Autronic systems(India) Pvt. Limited & Anr.
Vs.
State of Rajasthan & Ors.

DATE OF ORDER:06.07.2006

HON'BLE MR.JUSTICE N.N.MATHUR
HON'BLE MR.JUSTICE R.P.VYAS

Mr.Dinesh Mehta for the petitioner

By way of instant petition the petitioner has challenged the constitutional validity of Rajasthan Tax on Entry of Goods into Local Area Act, 1999. We are not inclined to entertain the petition as the validity of the said Act has been upheld by a Division Bench judgment of this Court in Godfrey Philips India Ltd. & Anr. vs. State of Rajasthan & Anr. reported in 2001(29) RTJS 99.

It is submitted by the learned counsel that the Hon'ble Supreme Court in a recent judgment rendered in the case of Jindal Stainless Ltd. & Anr. vs. State of Haryana & Ors. reported in 2006(145) STC 544 has held that such tax is beyond legislative competence. In Godfrey Philips India Ltd. this Court referring various decisions of the Apex Court concluded that the State legislature is empowered to enact law to levy tax on entry

of goods into local area for consumption, use or sell therein. The Division Bench of this Court also held that the State legislature has exclusive power to legislate upon entry tax. It cannot be questioned on the ground of enactment of the Central Act for additional duties of the excise. The contention with respect to legislative competence was repelled keeping in view the federal structure of the Constitution. The court also held that the entry tax is in the nature of compensatory and regulatory tax. It is submitted that an appeal against the Division Bench judgment is pending before the Supreme Court, as such this writ petition be also admitted and interim relief be granted. In our view such a course cannot be adopted.

The writ petition stands dismissed.

(R.P.VYAS) J. **(N.N.MATHUR) J.**

BKS/-